



**ART VALUES IN A CHANGING SOCIETY**





*Toledo's Museum: a popular cultural center*



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IN A CHANGING SOCIETY

*Revised from an address,  
A Museum Director's View  
of the Art Market  
by Otto Wittmann before the  
London Financial Times Conference  
New York, October 18, 1974*

THE TOLEDO MUSEUM OF ART



## Note

*"Perhaps the single most valuable piece of information to be gleaned from the two-day session was Otto Wittmann's "Ten Rules for Successful Collecting." They apply to amateurs and professionals alike."*

Barron's, October 28, 1974

Mr. Wittmann was invited by London's Financial Times to speak at a conference on the world art and antique markets. As the conference included many aspects of finance and the arts and was presented before an audience of international economists, bankers, art collectors and dealers, Mr. Wittmann was specifically asked to speak on his own experiences in collecting for Toledo's Museum.

*Cover: Room from the  
Chateau de Chenailles,  
French, mid-17th century.  
Gift of Mr. and Mrs.  
Marvin S. Kobacker*



## *Preface*

The Toledo Museum of Art is perhaps best known locally and nationally as a great teaching museum. Almost since the day of its founding in 1901 the Museum pioneered in offering innovative art education programs for children and adults. Today it still offers the country's most extensive program in art education for children and also provides a full curriculum in art and art history for thousands of university students and adults.

However its international standing and acclaim as one of the nation's ten finest museums of art is based on the very high standards of its significant collections of art. Toledo's collections have more than doubled in the past 25 years, have broadened in scope and depth. Mr. Wittmann's talk recounts this growth, the reasons behind the directions it has taken, and the basis for the high standards established for this Museum.

Giving plays a significant part in the growth of any American museum. Without the generous funds bequeathed especially for the acquisition of art by the Museum's founder Edward Drummond Libbey and his wife, as well as more recently contributed funds from other generous donors, the growth recorded in these pages would not have been possible. Unless otherwise indicated the art illustrated was acquired with funds bequeathed by Edward Drummond Libbey. The Libbey funds as well as other generous contributions will make possible continuing future growth of the Museum's collections of art.





*Michel Anguier . . . acquired 1973*



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## ART VALUES IN A CHANGING SOCIETY

Within the last few years the collecting of art, which has existed in varying degrees of intensity since the beginning of time, has gained new popular appeal. One might say that this pastime of royalty, of nobility or at least of the wealthy, has been democratized at last. Almost every young couple today aspires to an apartment or house not only furnished with attractive furniture, but also with a Picasso print or so—or they covet a few original works of art along with that second automobile.

Our affluent society (yes, more of us are still relatively better off now than at any other time in history) has developed a mania for art collecting which rivals the tulip speculations of 17th century Europe.

Our popular press reflects this. The widely syndicated economist Sylvia Porter, recently headlined an article, "Art Market Presents Investor Opportunity". She described in her article a set of Picasso linoleum block prints which jumped from \$600 to \$50,000 in a decade or so; and Rembrandt etchings which doubled in price in ten years.

*Art is by no means merely a commodity. Increasing investment value should not be the reason for collecting art.*

*Financial World* a year or so ago headlined an article, "Art As Investment Outpaces Stock", and London's *Financial Times* in 1973 headlined a survey of art auction prices, "Fine Art Fetches Even Bigger Money." That always interesting Swiss money expert Dr. Franz Pick has for some years reported on values of art (always rising) along with gold in an inflationary money market. Only recently (May 1974) did *Fortune* magazine strike a more sour note with this headline, "Invest in the Art Market? Soy Beans Might be Safer".

Many others more qualified than I have written on investment opportunities in art—a subject with which I am not even in great sympathy, for to me art is by no means merely a commodity. Increasing investment value should not be the reason for collecting art. Far from it—for the market for art can and does fluctuate. You may lose as well as win in a monetary sense. The art market is simply a market of slow swelling waves instead of the choppy seas of the equity or commodity markets.

The reasons for collecting art should be different from investing in other assets; certainly investment for profit (should it occur) should be of only peripheral interest—at least to museums. As one museum trustee recently remarked after listening to a report of his museum's art acquisitions, "But how do we *know* if our collecting is successful—we never *sell* anything!" He had missed the point it seems to me—although his museum's policy of not selling art, which is its prime asset and reason for being is to be commended.



The opportunity to speak on *A Museum Director's View of the Art Market* was presumably given to me because of the unusual and fortunate circumstances which made it possible for me to collect more extensively and in more markets for my museum over the past quarter-century than many of my museum colleagues.

While Toledo has had generous donors of funds to be used only for art acquisitions, we have had few collectors and therefore relatively few gifts of works of art. It has been left therefore to the museum director and his professional staff to form Toledo's collections. I have considered this my main task and most serious responsibility during my years at Toledo. In order to preface my remarks you should know briefly how this occurred.

After more than five year's service in our armed forces during World War II, I was toward the end of the war attached to a small counter-intelligence unit of the OSS. Our small unit was concerned with a strange aspect of art as investment: that is, the predilection of certain foreign intelligence agents to be paid in art as a variant to other stable assets such as Swiss francs. Not a great deal ever came of this, as most agents were too mobile to prefer art—but our investigations did lead to a series of reports on the wartime movement of art which was most helpful in identifying works of art displaced as the loot of war.

Of course many colleagues in the art world from our country as well as from various European countries worked together on the restitution of art after 1945

and many good friends who were to be of great help to me in the years ahead were first met at that time. Indeed without the guidance, good advice, and warm friendship of my colleagues in the museums of Europe and America, many of whom I first met in those days of art restitution, I could have accomplished very little. I am grateful to many museum directors and curators who have always been generous with their advice and guidance; and I would advise any aspiring collector to develop close ties with his local museum's professional staff.

In 1946 when my wartime service was finally completed, I joined The Toledo Museum of Art as its associate director. I came to a museum with a small but highly selective collection of Italian Renaissance, French Impressionist, as well as Barbizon paintings; with a staff severely depleted by the war; and most importantly with large reserves of funds set aside for the sole purpose of acquiring art. These reserves are still extensive, were then and are now, annually increased by generous income which can only be used for art acquisitions from the estates of the museum's founder and principal benefactor, Edward Drummond Libbey, and of his wife.

As our museum at that time had no staff of curators I also assumed the role of chief curator, and was immediately challenged to prepare a study for the future growth of the museum's collections as well as the future development of its operations and staff. So stimulating was this challenge and so fascinating was its implementation that I am still at the same museum 28 years later, and now its director.





*Hobbema . . . acquired 1967*





*French silver, 1783...acquired 1967*



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collecting whose ebb and flow  
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quality.*

While collecting for the public is greatly different from private collecting, I have because of these peculiar and happy circumstances had the good fortune to play a major role in the growth of our museum's widely varied collections over a relatively long period of time. The collections have more than doubled in these years, and have expanded immensely in variety and depth.

What would you have done if faced with a museum already almost 50 years old (as was ours when I joined it in 1946), with an established pattern of collecting ranging from ancient Egypt to contemporary art?

Some might have changed completely the direction of collecting and specialized in one specific area—perhaps contemporary art. Some might have built on already existing strengths such as French Impressionism—and added more significant examples, then still available but at constantly rising prices.

I chose to recommend another course: to expand and enrich the museum's existing general collections by acquiring art in areas which were at that time weak or non-existent in our museum, and which were neglected and out-of-fashion in the market. There are, as you know, fashions in art collecting whose ebb and flow greatly influence prices paid, often regardless of intrinsic quality. The only other criterion which seemed important to me—and here I was bolstered by the collecting of my predecessors—was to buy only art of highest quality, regardless of period or country.

What were the areas chosen for special development at that time in the late 1940's?

I found we had no 17th century Dutch paintings, except for a Rembrandt and a Frans Hals which had come to the museum from the private collection of our benefactor Mr. Libbey. We had no 17th or 18th century French paintings, except for one Philippe de Champaigne. We had no 17th or 18th century Italian pictures except for two paintings by Tiepolo; few classical objects of any kind; no furniture of any period; practically no decorative arts, ceramics, bronzes or silver.

We deliberately embarked upon a program of developing collections in these areas, buying as we could find good examples, often waiting years before we could acquire sufficient examples to form a new gallery. We bought 17th century Dutch pictures, 17th and 18th century French and Italian pictures, as well as furniture and decorative arts of these and other periods. An interesting sidelight was that these acquisitions also lead to a series of important international exhibitions resulting from our interest and research.

Splendid 17th century Dutch and Flemish paintings, which had commanded high prices at the beginning of our century, were unwanted in the 1940's and 50's when we began to buy them. They were too dark and sombre to eyes accustomed to the outdoor brilliance of Impressionism.

French 17th century painting was so out-of-fashion at that time that only a handful of young French scholars seemed to remember even the names of the great artists of the time of Louis XIV. The extraordinary exhibition of 17th century French art, *The Splendid Century*, presented at the National





*van de Capelle . . . acquired 1956*





*Lemoyne . . . acquired 1964*



Gallery, the Metropolitan Museum and the Toledo Museum in 1960/61 revealed for the first time in our generation the significance of a long forgotten and neglected school of art.

As for the 18th century French art, it has taken even longer to revive an interest in pictures still considered "candy box" by many.

Eighteenth century Italian art which we and other museums began to collect at that time, later became the subject of an important exhibition organized by the Chicago Art Institute, Minneapolis Institute of Arts and The Toledo Museum of Art in 1970/71.

We have never tried to allocate funds for specific areas of the collection and were always willing to create a temporary imbalance if the opportunity to acquire several significant objects of one kind occurred simultaneously. We were, and still are, because of the reserves available only for art, ready and willing to spend more than our annual income available for art when unusual opportunities for important acquisitions occur.

The concept of combining furniture and the decorative arts together with paintings in the museum's galleries, was introduced soon after my arrival in Toledo. We continue to believe that aesthetics and understanding are enhanced by presenting together the various forms of arts.

In fact, the presentation of art, the relationship of pictures to each other and to objects in the same gallery has always seemed to me to be a means of education

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every bit as important as any lecture or printed guide. Art and the relationship of art objects can speak eloquently to us if we will only pause to observe. This opportunity to pause and observe at one's own pace is perhaps the greatest contribution which museums can make to visitors wishing to understand the culture of their own time as well as their heritage from the past.

In these precarious and unsettled times in which we all live, there is a great hunger for a sense of lasting significance. We live among objects designed to be bought, used and thrown away without ever acquiring any sense of identity or relationship to ourselves.

The very nature of art and of the museums which preserve and present works of art reassures people of the continuity of human vision and thought and of the importance of their place in the vast stream of significant developments over centuries of time. This is why art must belong to all. It is not a mere commodity to be traded, hoarded and hidden in the vaults of some vast warehouse.

A Mayan figure in Manhattan, a T'ang figure in Toledo even though seemingly irrelevant to our culture today, can tell us much about humanity and human relationships, may give us new and revealing insights into ourselves—perhaps more than would a less exotic and more familiar object from our own culture. These silent witnesses of the past can bridge the gap of time and place if we will let them. This is why it is important that some acceptable method of exchanging art from ancient cultures and far off lands



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—George Santayana

be developed. For the universal truths of all art should be shared and not confined.

"Those who do not remember the past are condemned to repeat it" warned George Santayana the poet and philosopher. What better way to remember and to understand the past than to observe and learn from the great art of the past? Such art is often the only tangible expression left to us from a vanished culture or a far off country.

To those who say, "Why is this old and strange art important? It is no longer relevant," I would remind them of Shakespeare's words in *The Tempest*, "What's past is prologue." To know the past helps us to understand the present—and may enable us to foretell the future.

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The cold gray years immediately following World War II were difficult for all; especially for Europe where the vast destruction and displacements of war had to be rehabilitated slowly and painfully.

While many of us felt that the economic and political upheavals following the war would result in a considerable increase in works of art placed on the market it took several years for this slow movement to become apparent. There were few works of art of quality immediately available. Indeed, the restitution of art looted during the war was so successful that over 95% of all art taken was returned to the countries of origin. For the first time in history art was not considered a part of the spoils of war. Not

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only was the looted art returned, but our country and others established clear legislative policies against seizure of art from the defeated areas.

The disorientation and disintegration of the art market during the war was clearly apparent to me through my work in OSS. Some art dealers had lost their lives or simply disappeared; a few chose to collaborate with the enemy; many entered the armed services; some moved to different and more friendly countries, usually greatly benefiting their newly adopted lands.

Many new friends were met in the art market in those days shortly after World War II when we began to implement the program of acquisitions I have earlier described. Without the cooperation, the interest, the professional skill and knowledge—yes, and the friendship of the many dealers in our country and abroad who have offered great works of art to us, we could not have formed the collections which now give Toledo's museum international recognition for the high quality and distinction of its art.

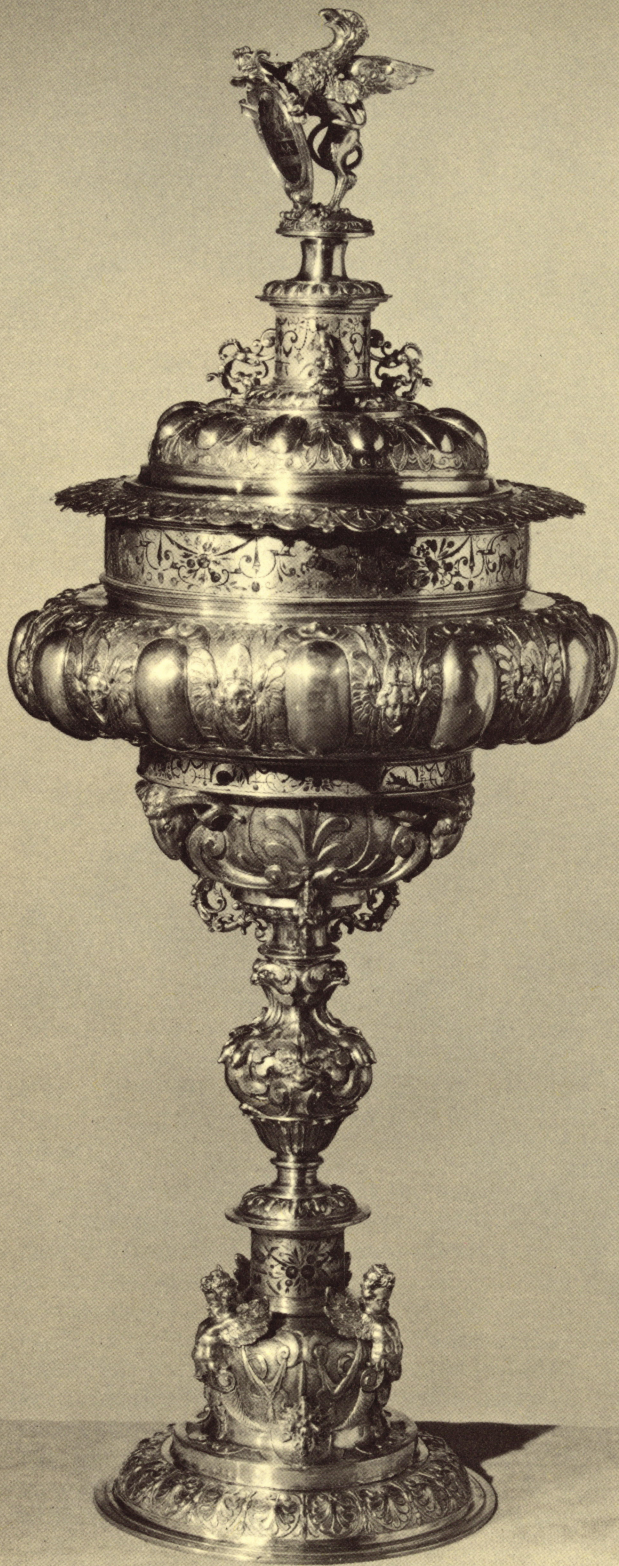
But this is not to say that the acquisition of great art is an easy one-way street, and that the museum director can, or ever could, sit in his office awaiting the visit of merchants eager to sell. At least this was not so at Toledo. It seemed to me in those earlier days that almost 90% of the dealers visited were unfamiliar with our museum and our interests; and indifferent to our programs for growth. It was not always an easy task to persuade them to let me see their best objects—often put aside for a favored col-





*Guido Reni . . . acquired 1972*





*Augsburg silver . . . acquired 1956*



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lector or a larger museum. It took patience, time and often repeated visits before important objects were willingly produced. Despite what some of my dealer-friends profess, theirs is not exactly an outgoing exuberant type of business—but rather the opposite. And who is to say that this reticence is not justified? They must agree with Omar Khayyam's comment on selling wine, "I often wonder what the vintners buy one-half so precious as the stuff they sell?"

Patience, then, a willingness to go more than half-way, an ability to sense who might have the rare objects, discretion, integrity, and just plain good business judgment are all necessary to the museum director or collector who wants to acquire objects of more than average quality. Great works of art have always been rare, difficult to find, and even more difficult to acquire.

The search for art has led me not only to the well-known centers of the world's art trade but also to some strange by-ways as well. I can still remember the thrill of seeing a great Dutch painting, which we later acquired, in a vault two stories below ground in Amsterdam, lit by a single bare lightbulb—and of finding a superb "lost" still-life by the 19th century American painter, William Harnett in a house in Toledo where it was owned by the son of a local druggist who had commissioned the picture in 1886.

Some pictures have finally come to the museum years after they were first known to us through some of the great international art exhibitions held at our museum and others since 1945. For example, a Hobema and a van der Heyden, both owned

privately when shown in Toledo loan exhibitions of Dutch 17th century painting, were acquired years later. Often an expression of interest in certain pictures while visiting private collections has resulted many years later in an opportunity to buy. Patience is a necessary virtue for the buyer of art. But of course, like fishermen, we all remember with greatest clarity—and regret—the works of art which got away; the ones we weren't clever enough to find first.

Perhaps our greatest advantage—rare in the museum field—has been Toledo's ability to reach a prompt decision when the opportunity to buy presented itself. Our purchases are authorized by a small committee of trustees of which the director is chairman. Prompt and full payment immediately after purchase has, I might add, been further encouragement to the seller.

What then are the best defenses for the collector? To try to find that rare object hidden in a dusty attic or unrecognized in some private collection before the dealer does? Well yes—and occasionally it can be done. However, usually the dealer, whose livelihood depends on getting there first, who is able to spend more time on the search and who knows better his own territory, wins this game. Usually the collector will do better to ask the dealer's cooperation in jointly seeking a privately held object he covets. He must also remember that the private owner today usually knows exactly what he has, and thanks to the vast amount of verbiage surrounding the relatively few sensational prices at public auctions, often has an inflated idea of values.





*Preti . . . acquired 1961*





*English cup, 1584 . . . acquired 1964.*



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high prices is to buy objects  
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fashion.*

For the museum certainly and for the private collector in many instances, the best and most interesting defense against high prices is to buy objects of quality in areas out-of-fashion. The law of supply and demand is compounded in the art world where scarcity is the multiplying factor. If everyone wants to own French Impressionist art for example, then certainly if you have the funds available and want the instant admiring acclaim of your friends, you too must buy French Impressionism. But don't expect to find a bargain—and don't expect that your art necessarily will be a good investment, although it may be if of great enough quality.

If however you had bought French Impressionism when everyone wanted to own Barbizon pictures, then your heirs would today indeed consider you wise, thoughtful and generous! Museums especially can benefit from using their always limited acquisition funds for out-of-fashion purchases. For museums like the Church are enduring institutions and can afford to wait. Some art, like wine, can best be bought and laid down for years until changing taste brings popular understanding—and acclaim. Other art may be bought for more immediate popularity if you are willing to pay the higher price of greater competition.

The French Impressionist paintings which my predecessors wisely bought for Toledo in the 20's and early 30's made it unnecessary for me to enter that ever-rising market in the 50's and 60's. What I have been able to buy at reasonable prices, my successors will not have to compete for in tomorrow's

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market. And so long as the objects acquired are among the finest of their kind whatever their period, they will continue to contribute to the knowledge and satisfaction of all those who wish to enjoy them during their visits to the museum.

The areas of collecting yet neglected are perhaps fewer than they were 25 years ago. But would it not be worthwhile still to seek important examples of early and mid-19th century European painting? Then, how many are collecting ancient glass today? And what about American art of the 1920's and 30's? Should some collectors or museums turn again to a reexamination of these areas? What other special areas? Well, you must have the wit and imagination to find these for yourselves!

If we agree that a sheep-like, follow-the-leader attitude is not the best way to collect art, what other leverage do we have in today's competitive art market?

Since the early 1950's I have traveled extensively in this country and abroad in search of art for our museum. Why? First, of course, because it was necessary to establish new sources of supply (collectors and dealers) friendly and sympathetic to our museum's special needs. However, secondly, it is quite apparent that even in these days of instant communication there are many great works of art unpopular and almost unknown in one country which are acceptable and more valuable in another.

Dealers have always known this and are constantly buying objects in one market for export to another market where a profit can



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be turned. It has, for instance, amused more than one English dealer to tell me that the object I had just bought in London had been recently exported from New York where I might have had it for a lesser amount!

However, this can be reversed to the collector's advantage. We have bought several fine American 19th century paintings in England where they were considered simply provincial, but which to us were part of our own cultural heritage and therefore valuable. A rare piece of American glass, one of only ten known authentic Amelung presentation goblets was acquired for Toledo's famous glass collection from a Dutch dealer who (rightly from his viewpoint) considered it a rather poor example of 19th century glass of unknown origin. We have bought important German paintings in Italy where they were not very much admired, French paintings in Tangiers, English Elizabethan oak furniture in New York.

Size and subject matter play important parts in popular values. Large pictures are less desirable in a country of small houses (such as Holland); religious subjects, especially martyrdoms, are unpopular in Protestant countries and with most private collectors. But museums which present the historic past in some logical sequence can often benefit from such popular indifference—as can certain private collectors.

What about the art market today? Many of the opportunities and advantages available 25 years ago are now gone. There is much broader and certainly stronger competition for any great work of art. There are the great moral, ethical and legal questions

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regarding export and import regulations for cultural property which must be resolved in the near future. There is the extraordinary interest in contemporary art—particularly the painters and sculptors of New York. Here is where the real growth of the last decades has been—or to put it another way, where the speculative interest and the dramatic rise in art as investment has been most pronounced. This is to be regretted, for it has clouded to some extent the appreciation and understanding of the very real creative forces of the artists involved. If we are to understand our times—and the future—we must understand what contemporary artists are saying to us—whether or not they themselves profess that they have no message to give.

While I have also been active in the market for contemporary art as the principal professional advisor to one of our large corporate collections of modern art, I feel this market is so different from any other market for art, antiques, or other artifacts that it could not adequately be discussed in the limited time available.

In closing I would like to leave with you *Ten Rules for Successful Collecting*, based on my own experience and belief. I hope they will be of some value to those interested in collecting for their own pleasure.



## TEN RULES FOR SUCCESSFUL COLLECTING

### *1. Quality comes first:*

Buy the best you can afford. Better to own one object of great quality than ten average objects. Don't forget Thoreau's aphorism, "All good things are cheap; all bad are very dear."

### *2. Don't buy art as investment:*

Increased value may be an indirect benefit of owning art, but should never be a primary requisite. There are other better investment vehicles over the long run.

### *3. Know your museums:*

Develop your eye for quality by frequent visits to the world's highly selective museums (examples: Frick Collection, New York; Wallace Collection and National Gallery of Art, London; Mauritshuis, The Hague). Become acquainted with museum curators. They are usually helpful and generous in sharing their knowledge. Their objective advice is a public service and free for the asking.

### *4. Know your sources:*

Become acquainted with the great collectors in your field of interest. Visit often and consult the leading dealers and auction house specialists. Every good dealer is enthusiastic and knowledgeable, and usually willing to share his knowledge with collectors.

## 5. *Observe good business practices:*

Like that of any other trade, the art market is made up of many legitimate dealers; but there are also a few who are unknowing or dishonest. Do business only with recognized dealers. Each work of art is a unique object on which a legitimate dealer places a fair value. It seldom pays to bargain for unique objects. It seldom pays to buy in installments. Demand from the seller a complete bill of sale clearly describing the object, its price, its provenance and history, as well as a signed statement from the seller attesting his ownership of the object and that, if applicable, the object has been legitimately exported from its country of origin and legally imported into the United States.

## 6. *Be curious:*

Study, observe, travel constantly. Read all you can of the scholarly books in your field of interest, read the important international art periodicals, including the advertisements as well as the editorial content; consult auction prices but don't take them too literally. Knowledge, curiosity, enthusiasm and study are all invaluable assets to the serious collector.

## 7. *Be courageous:*

Have the courage of your convictions. Be bold in your buying. You may, and probably will, make some mistakes, but every great collector before you also has. To buy only the "safe" object is the easiest avenue to a boring collection. Buy against the market where possible.



### 8. *Be careful:*

Assure yourself of the condition of the work of art *before* buying. It is better to buy a fine picture in excellent condition by a little-known artist than to buy a ruined picture by a well-known artist. Use available scientific methods to examine art *before* buying. However, your own eye and judgment must make the ultimate decision.

### 9. *Don't be a cynic:*

Remember Oscar Wilde's epigram, "A cynic is a man who knows the price of everything and the value of nothing." Each work of art is a unique object, a creative effort by a human being subject, as we all are, to daily variations. Therefore, auction prices or other periodic market evaluations can be deceptive. Unlike two shares of General Motors' stock which sell for identical prices, two etchings by Rembrandt can and should vary greatly in price because of concept, condition and the varying quality of the original printing. Buy what you like, but don't buy for price alone.

### 10. *"Caveat Emptor" means you:*

The old Latin phrase, "Let the buyer beware" should never be forgotten. The complete phrase is, "Let the buyer beware because he should not be ignorant of the property he is buying."

Otto Wittmann, Director  
The Toledo Museum of Art



*Everyone enjoys Toledo's art collections.*



